May 10, 2018

To:

Rajinder Sahota
Assistant Division Chief, Industrial
    Strategies Division
Air Resources Board
1001 I Street
Sacramento, Ca 95814

Jason Gray
Branch Chief, Cap-and-Trade Program
Air Resources Board
1001 I Street
Sacramento, Ca 95814

Online Submission: https://www.arb.ca.gov/lispub/comm2/bcsubform.php?listname=ct-4-26-18-wkshp-ws&comm_period=1

RE: Preliminary Discussion Draft of Potential Changes to the Regulation for the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms

Dear Ms. Sahota and Mr Gray:

Praxair, Inc. supports the American Carbon Registry (ACR) recommendations for inclusion of additional offset protocols and specifically the methodology for **"Transition[ing] to Advanced Formulation Blowing Agents in Foam Manufacturing Use, Version 2.0"**. In addition to the potential for in-state direct environmental benefits (DEBs), adoption of this protocol will also support the Short-live Climate Pollutant Strategy goal of reducing HFC emissions 40% by 2030. As such, Praxair, Inc. supports this methodology and recommends that ARB staff consider including this protocol, and others, in the forthcoming rulemaking.

Based on the information we have reviewed on this methodology, the benefits of the methodology include the following:

- The potential volume of offsets that can be generated is significant. To date, two projects have already registered over 100,000 voluntary offsets
- As this is a manufacturing-based methodology, there is the opportunity for foam manufacturing businesses located in CA to create emissions reductions in disadvantage communities.

With the introduction of offset limitation and requirement for DEBs, we believe adoption of high-quality ARB offset protocols is an important part of the process to continually improve the cost-effectiveness of California's Cap-and-Trade Program and the 2030 GHG reduction targets set by California.

Respectfully,

Curtis Stubbings

Curtis Stubbings
Business Development Director